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ASSISTANT COMMISSIONER FOR PATENTS  
WASHINGTON, D.C. 20231

JAN 06 2005

OFFICE OF PETITIONS

NEIFELD REF:DEATON-18-USC1  
In Re Application Of: DEATON et al.  
Group Art Unit: 2162  
Application Serial No.: 08/935,116  
Filing Date: 09/22/97  
Examiner: Gravini, S.  
Title: System, Method, and Database for Processing Transactions

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JAN 11 2005

Technology Center 2100

SIR:

Attached hereto for filing are the following papers:

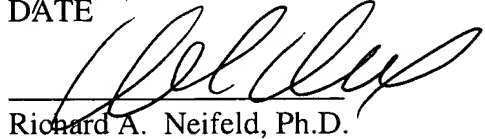
37 CFR 1.182 OR ALTERNATIVELY 37 CF 1.183 PETITION TO HAVE A DECISION OF A PANEL OF THE BOARD OF PATENT APPEALS AND INTERFERENCES FORMALLY REVISED TO CLARIFY THAT THE PANEL ENTERED A NEW GROUND OF REJECTION INSTEAD OF AN AFFIRMANCE OF THE EXAMINER'S GROUND OF REJECTION

Our check in the amount of \$130.00 is attached covering the required fees.

The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account Number 50-2106. A duplicate copy of this sheet is enclosed.

Respectfully Submitted,

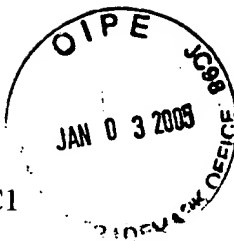
DATE

1/3/2005  
  
Richard A. Neifeld, Ph.D.  
Registration No. 35,299  
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2005 JAN 10 PM 2:34  
OFFICE OF PATENT APPEALS  
AND INTERFERENCES

Printed: January 3, 2005 (4:19pm)

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NEIFELD REF.: DEATON-18-USC1

IN THE UNITED STATES PATENT & TRADEMARK OFFICE

IN RE APPLICATION OF: DEATON ET AL.

USPTO CONFIRMATION CODE: 8230

SERIAL NO: 08/935,116

FILED: 9/22/1997

EXAMINER: GRAVINI

GROUP ART UNIT: 2162

FOR: System, method and Database for Processing Transactions

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**OFFICE OF PETITIONS**

37 CFR 1.182 OR ALTERNATIVELY 37 CFR 1.183 PETITION

TO HAVE A DECISION OF A PANEL OF THE BOARD OF PATENT APPEALS AND

INTERFERENCES FORMALLY REVISED TO

CLARIFY THAT THE PANEL ENTERED A NEW GROUND OF REJECTION INSTEAD OF

AN AFFIRMANCE OF THE EXAMINER'S GROUND OF REJECTION

ASSISTANT COMMISSIONER FOR PATENTS

ALEXANDRIA, VA 22313

**RECEIVED**

**JAN 11 2005**

Sir:

Technology Center 2100

Please consider this petition.

01/04/2005 ZJU HAR1 00000070 502106 08935116

01 FC:1462 270.00 DA 130.00 OP

01/04/2005 ZJU HAR1 00000008 08935116

01 FC:1464 130.00 OP

**I. Statement of the Precise Relief Requested**

The applicant requests that the Director specify that the decision on appeal (hereinafter "decision" mailed September 9, 2004, de jure imposed a new ground of rejection under 35 USC 103 of claims 17-32 based upon Creekmore and Bigari, not an affirmance of the grounds of rejections asserted by the examiner of claims 17-32 under 35 USC 103 based upon Creekmore, Off, Tai, and Bigari, and provide the applicant two months from the date of the decision on this petition to act, pursuant to 37 CFR 41.50(b) .

## II. Material Facts in Support of the Petition

1. The chart in this fact paragraph summarized the grounds of rejections, claims, and panel action relevant to this petition.

Claims	Examiner Ground of Rejection	Panel Decision Action
Claims 15, 16	103 based upon Creekmore in view of Off	reversed
Claims 10, 11, 14	103 based upon the foregoing Creekmore in view of Off combination, and in further view of Tai	reversed
Claims 17-32	4 -way, under 103, based upon the foregoing Creekmore in view of Off in view of Tai combination, and further in view of Bigari; Bigari for "dollar amount and time of purchase"	'affirmed' based upon a 2- way combination of Creekmore in view of Bigari's 2nd embodiment; applying Bigari to suggest incorporating Creekmore's check verification terminal into Creekmore's point of sale terminal.

2. The examiner's final office action and examiner's answer rejected claims 15 and 16 under 35 USC 103 based upon Creekmore in view of Off. Examiner's answer page 6 lines 4 to page 7 penultimate line. A copy of the examiner's final office action is attachment 1. A copy of the examiner's answer is attachment 2.

3. The panel reversed the examiner's grounds of rejection of claims 15 and 16 based upon Creekmore in view of Off. A copy of the panel's decision is attachment 3.

4. In reversing the examiner's grounds of rejection of claims 15 and 16 based upon Creekmore in view of Off, the panel stated "we find that Off does not make up for the basic deficiencies of Creekmore. The rejection of claims 15 and 16 under 35 USC 103(a) as being unpatentable over Creekmore in view of Off is therefore reversed." Decision page 15 lines 15-18; emphasis supplied.
5. The examiner's final office action rejected claims 10, 11, and 14 under 35 USC 103 based upon Creekmore in view of Off and further in view of Tai.
6. In rejecting claims 10, 11, and 14, the examiner relied upon the same reasoning and combination of Creekmore in view of Off in his grounds for rejection of claims 15 and 16, in rejecting claims 10, 11, and 14, admitting that an additional limitation defined by claims 10, 11, and 14 was lacking in that combination, and applying Tai to 'fill the gap.' Examiner's answer page 8 lines 1-10; see particularly lines 1-4 ("except for the response being related to the individual customer's transaction data in shopping visits prior to the current shopping visit.").
7. The panel reversed the examiner's grounds of rejection of claims 10, 11, and 14, based upon Creekmore in view of Off and further in view of Tai.
8. In reversing the examiner's grounds of rejection of claims 10, 11, and 14, based upon Creekmore in view of Off and further in view of Tai, the panel stated "..., we agree ... that Tai does not disclose [a claimed element] .... In addition, we find that Tai does not disclose or suggest ....., and thus does not make up for the basic deficiencies of Creekmore and Off. From all of the above, we find that the examiner has failed to establish a prima facie case of obviousness of claims 10, 11, and 14. Accordingly, the rejections of claims 10, 11 and 14 under 35 USC 103(a) is reversed." Decision page 17 lines 13-20; emphasis in the original.
9. The examiner rejected claims 17-32 based upon Creekmore in view of Off in view of Tai, and further in view of Bigari.

10. In rejecting claims 17-32, the examiner relied upon the same reasoning and combination of Creekmore in view of Off in view of Tai he applied against claims 10, 11, and 14, in his grounds for rejection of claims 17-32, admitting that an additional limitation defined by claims 17-32 was lacking in that combination, and applying Bigari to 'fill the gap' to allegedly make obvious the claim limitations relating to dollar amount and time of purchase. Examiner's answer page 8 lines 11 to last line; see particularly lines 13-14 ("except for the dollar amount and time of purchase").

11. The appellant fully and comprehensively addressed the aforementioned grounds for rejection asserted by the examiner. Substitute appeal brief pages 16-33.

12. Following the panel's statements noted above reversing (1) the grounds of rejections of claims 15 and 16 and (2) the grounds of rejections of 10, 11, 14, 15, and 15, the panel addressed the examiner's grounds for rejection of claims 17-32. This was a 4-way rejection based upon Creekmore, Off, Tai, and Bigari. The following two paragraph quote the legally relevant statements in the decision, central to this petition.

13. The panel first stated that:

However, although not brought to our attention by either the examiner or appellants, we find that Bigari additionally discloses (col. 9, lines 55-61) that figure 5 through 8 [sic; 7] discloses an enhanced payment voucher processing apparatus and system wherein the point of purchase register is integrated with the payment voucher processing apparatus 10 (underlining added). From the disclosure that the payment voucher processing apparatus may either be remote from the cash register or integrated with the cash register, we find that an artisan would have been motivated to integrate the check verification terminal of Creekmore integral with the point-of-sale terminal, permitting the check approval, based on prior transactions of a customer including the dollar amounts of checks previously presented, to be sent to the point-of-sale terminal. Accordingly, although we consider Off and Tai to be cumulative to the teachings of Creekmore

and Bigari, we find that the teachings of Creekmore and Bigari suggest that the limitations of claim 17." [Decision page 22 line 18 to page 23 line 12; emphasis in the original.]

14. The panel went on to state that:

From all of the above, we find that the teachings of Creekmore and Bigari establish a prima facie case of obviousness of claim 17, which has not been successfully rebutted by appellants. The rejection of claim 17 under 35 USC 103(a) as being unpatentable over Creekmore in view of Off, Tai and Bigari is affirmed." [Decision page 22 lines 17-23.]

15. With respect to the remaining claims in 17-23, the panel relied upon substantially the same Creekmore/Bigari combination to reject those claims, stating for example:

We turn next to independent claim 22 ... [whose limitations are] met by the teachings of Creekmore and Bigari. [Decision page 23 lines 3-16]

We next turn to the rejection of independent claim 27.... We observe that the last limitation of independent claim 27 is met by the teachings of Creekmore and Bigari .... [Decision page 24 lines 3-14.]

We next turn to the rejection of independent claim 30. ... We are not persuaded by appellant's assertion [that Bigari fails to teach a claimed limitation] because Creekmore discloses updating transaction data .... [Decision page 25 lines 11.]

16. The decision also contained an express new ground of rejection under 37 CFR 1.196(b), of claim 33, and specified a two month deadline for appellant to respond. Decision page 30 line 20 to page 34 line 12.

17. On October 7, 2004, the applicant filed an amendment.

18. 37 CFR 1.196(a) specified that a panel of the Board could "affirm or reverse" on the "grounds of rejection" asserted by an examiner.

19. 37 CFR 41.50(a)(1) specifies that a panel of the Board can "affirm or reverse" on the "grounds of rejection" asserted by an examiner.

20. No rule specified or specifies that a panel could or can affirm on its own ground of rejection, first raised in the panel's decision.

### **III. Reasons Why the Relief Requested Should be Granted**

#### **A. Summary**

I first emphasize that this petition raises only a procedural issue, which is proper subject matter for a petition. I do not challenge in this petition any substantive 'patentability' issue addressed by the panel's decision.

In summary, the panel imposed a new ground of rejection in its decision, but characterized its new ground of rejection as an affirmance of the examiner's ground of rejection. That characterization of a new ground of rejection is as an affirmance is beyond the power of a panel of the Board, as specified by rule. See 37 CFR 1.196(a) ("may affirm or reverse ... on the grounds ... specified by the examiner"). Rules have the force and effect of law, binding both the Board and the Director. Wyden v. Commissioner of Patents and Trademarks, 807 F.2d 939, \_\_\_, 231 USPQ 918, 919-20 (Fed. Cir. 1986). Accordingly, that portion of the panel's decision characterizing its action as an affirmance should be set aside as ultra vires, and the decision on this petition should state that the panel's rejection of claims 17-32 is a new ground of rejection subject to 37 CFR 41.50(b) with the two month time limit therein running from the date of decision of this petition.

#### **B. Criteria for a New Ground of Rejection**

The criteria for the existence of new ground of rejection is "whether appellants have had fair opportunity to react to the thrust of the rejection." In re Kronig, 539 F.2d 1300, 1303, 1976 CCPA LEXIS 140; 190 USPQ 425, 427 (CCPA 1976). That criteria is satisfied when the



"rationale" of the panel differs from that of the examiner. Ex parte Bollinger, Appeal No. 2004-0106 Application 09/907,974, 2001 Pat. App. LEXIS 112, 8 (BPAI November 22, 2001)("Because our rationale for sustaining the rejections of claim 30, and claims 31 through 35 which stand or fall therewith, differs from that advanced by the examiner, we hereby designate our action in this regard as a new ground of rejection...."). That criteria is satisfied when the rejection is one of anticipation relying upon a single reference, if the examiner has not made a prima facie case, and the panel finds a prima facie case in the teachings of the reference. Ex parte Bergeron, Appeal No. 2004-1008 Application No. 10/091,591, 2002 Pat. App. LEXIS 299, (BPAI February 1, 2002).

**C. The Panel Unequivocally Imposed a New Ground of Rejection of Claims 17-32**

**1. Factual conclusions**

The panel admitted that the examiner's grounds for his 2-way rejection of claims 15 and 16 was not sustainable. Facts 1-4.

The panel admitted that the examiner's 3-way rejections were improper and failed to make a prima facie case. Facts 5-8.

The examiner's 4-way rejection relied upon the propriety of his 2 and 3-way combinations. Fact 9-10.

The panel impliedly admitted that the examiner's 4-way combination also failed to make a prima facie case by expressing that the examiner's 2-way and 3-way rejections were untenable and failed to make a prima facie case of obviousness. This is because the examiner's 4-way combination relied upon the motivations and combinations of elements in the 2 and 3-way combinations. Facts 11-15.

The panel also refuted the propriety of the examiner's that 4-way combination. Facts 12-13.

Moreover, the panel admitted that its rationale for rejection of claims 17-32 was based an alternative embodiment disclosed by Bigari, and the panel admitted that the examiner did not rely upon the Bigari alternative embodiment. Facts 12-15.

**2. Legal Conclusion That there is a New Ground of Rejection of Claims  
17-32 Based Upon the Factual Conclusions**

The appellant did not have a "fair opportunity to react to the thrust of the rejection" as required by Kronig because (1) the examiner did not rely upon the Bigari alternative embodiment and (2) there was no logical basis for the appellant to address the alternative embodiment in Bigari, because in the panel's conclusion that a Creekmore/Bigari alternative embodiment combination suggested any claim, was legally flawed. That is, the applicant had no reason to address a rejection both not imposed by the examiner and that was unreasonable.

**D. Impact of the Panel Decision Violates Procedural Due Process and Thereby Harms the Appellant**

In any case, the result of the panel's characterization of its new ground of rejection as an affirmance of the examiner's ground of rejection, was to procedurally deny the appellant the right to respond to the panel's new ground of rejection with relevant arguments. The prohibition on new arguments in a rehearing precludes effectively addressing a de facto new ground of rejection.

**E. Requesting Rehearing Would Have Not Cured the Harm**

Yes, the appellant could have timely acted under 37 CFR 41.50(b)(2) to request rehearing based upon the facts of Creekmore/Bigari and legal conclusions "misapprehended or overlooked" by the panel, and then timely acted to appeal to the Board's reviewing court. However, such a request would have been at the appellant's disadvantage of not being allowed to address on the merit's the decision's new rejection by presenting new arguments. 37 CFR 41.52(a)(1)(new arguments not permitted on rehearing). Moreover, it is unlikely that an argument directed to whether the panel had procedurally improperly imposed a new ground of rejection to be within the jurisdiction of the "misapprehended or overlooked" review upon rehearing.

**F. The Legal Issue is Whether Relieve Should be Granted Due to an Ultra Vires Action Leading to a Violation of Procedural Due Process**

The appellant's failure to timely act vis-a-vis rehearing, while admittedly motivating this petition, is not the issue presented by this petition.

The issue here is one of jurisdiction and constitutional due process. Whether the panel improperly deprived appellants of due process rights by characterizing their Creekmore/Bigari rejection as an affirmance of the examiner's ground of rejection. Mathews v. Eldridge, 424 U.S. 319, 47 L. Ed. 2d 18, 96 S. Ct. 893 (1976)(test for due process in administrative proceedings). The issue of a tribunal's lack of jurisdiction should be one that can be raised at any time. This is because an action of any tribunal found to be ultra vires will always be set aside. 5 USC 706. Thus, if you agree that the panel in fact affirmed on a new ground of rejection, you should grant the relief requested.

**G. This Petition is not Time Barred**

Since 37 CFR 1.182 does not provide a 2 month time limit, and this petition addresses an issue not specifically provided for, the petition should not be dismissed. Cf. Helfgott & Karas, P.C. v. Dickenson, 209 F.3d 1328, n.3; 2000 U.S. App. LEXIS 6922, n.3; 54 USPQ2d 1425, n.3 (Fed. Cir. 2000)("Because Helfgott does not appeal the district court's holding that the Commissioner properly applied the two month time period in section 1.181 to a section 1.182 petition, see Helfgott & Karas, 47 F. Supp. 2d at 433 n.5, we cannot reach this issue and rule in Helfgott's favor--even though the time limit in section 1.181 seems by the plain meaning of the section to apply only to that section. We can note, however, that the Commissioner's rejection of the section 1.182 petition for untimeliness necessitated the further expenditure of private and public resources, as Helfgott pursued its request for relief and the Commissioner steadfastly refused to permit correction of the evident errors attributable to both parties.").

Alternatively, you should deem this petition to request relief where justice demands, as a petition under 37 CFR 1.183. You should grant the relief requested because justice requires a fair decision on the issue of whether the panel's Creekmore/Bigari combination in fact suggests any claim, and rights will otherwise be lost due to issue preclusion. In this regard, the ambiguity caused by the panel's alleged affirmance of the examiner coupled with their express new ground of rejection of claim 33 is sufficient reason to grant the relief requested in order to avoid preclusion of the issue of the Creekmore/Bigari based panel rejections of claims 17-32.

VI. **Conclusion**

You should grant the relief requested because the panel in fact imposed a new ground of rejection of claims 17-32, the panel's mis-characterization of a new ground of rejection works a deprivation of due process and substantive rights, this petition is not time barred by 37 CFR 1.182 or 183.

Respectfully Submitted,

1/3/2005  
DATE

  
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Attorney of Record

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**LIST OF ATTACHMENT TO THIS PETITION**

Attachment 1 - A copy of the examiner's final office action.

Attachment 2 - A copy of the examiner's answer.

Attachment 3 - A copy of the panel's decision.

**Printed: January 3, 2005 (4:07pm)**

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